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Wednesday May 8, 2019

## Streamlined Submarine Cable Landing License Applications Accepted For Filing

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing and subject to the streamlined processing procedures set forth in section 1.767 of the Commission's rules, 47 C.F.R. § 1.767. Pursuant to the Submarine Cable Landing License Act, 47 U.S.C. §§ 34-39, and Executive Order No. 10530, reprinted as amended in 3 U.S.C. § 301, each applicant seeks: (a) the grant of a cable landing licensee; (b) the modification of a cable landing license; and/or (c) the assignment or transfer of control of an interest in a submarine cable landing license.

Pursuant to its decision in Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, FCC 01-332, 16 FCC Rcd 22167 (2001), and section 1.767 of the rules, the Commission will take action upon these applications within forty-five (45) days after release of this public notice, unless upon further examination an application is deemed ineligible for streamlined processing.

Ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206. Filings relating to this application must be received within 14 days of this notice. Such filings will not necessarily result in an application being deemed ineligible for streamlined processing.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

SCL-LIC-20190410-00015 E

GU Holdings Inc.

Submarine Cable Landing License

Application filed by GU Holdings Inc. (GU Holdings) for a license to construct, land, and operate a private, non-common carrier fiber-optic submarine cable system connecting Virginia Beach, Virginia and Saint-Hilaire-de-Riez, France, the Dunant cable. GU Holdings intends to commence commercial operation of the cable system in the third quarter of 2020.

Dunant will have a single segment between Virginia Beach and Saint-Hilaire-de-Riez, a total length of 6,600 kilometers. Dunant will consist of twelve fiber pairs, with a total design capacity of 25 Tb/s per fiber pair.

The system will provide capacity to connect GU Holdings' affiliates data centers and points of presence in the United State and Europe. GU Holdings states that Dunant will serve the public interest, convenience and necessity because the system will provide new and replacement capacity on the U.S.-European routes. Further, GU Holdings states the system will provide geographic diversity on the Atlantic route by landing in France and will further strengthen the resilience of trans-Atlantic communications.

GU Holdings and its affiliates - Google Infrastructure Bermuda Limited (GIB) and Google France Sarl (Google France) - will hold 100% of the participation (i.e. economic) and voting interests in the Dunant system. GU Holdings will own and control the system in U.S. territory. GIB will own and control the system in international waters. Google France will own and control the system in French territory. GU Holdings states that under section 1.767(h)(2) of the Commission's rules, 47 CFR § 1.767(h)(2), GIB and Google France are not required to be applicants for the cable landing license since neither will use the U.S. end points of the system.

The system will use an existing cable landing station in Virginia Beach, Virginia, which is owned by Telxius Cable USA, Inc. (Telxius) and controlled by GU Holdings. The system will also use an existing cable landing station in Saint-Hilaire-de-Riez, France, (the France Télécom La Parée Préneau Station), which is owned by Orange. Google France has contracted with Orange S.A. (Orange) to be the landing party in France. A landing party agreement between Google France and Orange provides that upon completion of Dunant, the supplier will convey to Orange the portion of the system that extends 12 nautical miles from France. Orange will neither own or control a cable landing station in the U.S. nor own or control a 5 percent or greater interest in the system.

GU Holdings requests a waiver of section 1.767(h)(1) of the Commission's rules, 47 CFR § 1.767(h)(1), which requires that "any entity that owns and controls a cable landing station in the United States shall be applicants for, and licenses on, a cable landing license." 47 CFR § 1.767(h)(1). According to GU Holdings, although Telxius owns the cable landing station in Virginia Beach it will have no independent ability to affect the system's operation and consequently Telxius need not be an applicant/licensee for the cable system. GU Holdings states that Telxius will provide certain limited services that will not provide Telxius with any ability to affect significantly the system's operation. GU Holdings intends to contract with Telxius for certain operation and maintenance services at the cable landing station and for the right to use separately-caged collocation space in the cable landing station. GU Holdings states that Telxius will not have access to GU Holdings' cage except: (1) to perform certain smart hands maintenance services as per GU Holdings' directions and instructions; (2) to conduct work at the cage unrelated to the system, after providing GU Holdings advance notice and opportunity to supervise any such work; (3) in cases of emergency. GU Holdings' agreement with Telxius will have a term of 25 years. GU Holdings will have operational authority over the landing in Virginia Beach and provide direction to all matters related to Dunant.

GU Holdings proposes to operate the system on a non-common carrier basis. GU Holdings states that it intends to use the system capacity as an input for services offered by its affiliates or by providing bulk capacity to wholesale and enterprise customers on particularized terms and conditions pursuant to individually negotiated indefeasible rights of use (IRU) and capacity leases, the terms of which will vary depending on the characteristics of the particular capacity purchase. In addition, GU Holdings asserts that there are sufficient alternative facilities providing U.S.-Europe connectivity to preclude the system from becoming a bottleneck facility on that route. GU Holdings states that Dunant will compete directly with the existing Apollo and FLAG systems on the U.S.-France route and will compete on broader U.S.-Europe routes with other cables, including AEConnect-1, Atlantic Crossing-1, GTT Atlantic, Marea, TAT-14, TGN-Atlantic, and Yellow/AC-2, which have onward connectivity to France via other cable systems and terrestrial networks.

GU Holdings is a Delaware corporation with its principal place of business in Mountain View, California. GU Holdings is a wholly-owned subsidiary of Google International LLC. Google LLC holds an 100% interest in Google International (97% direct and 3% through its wholly owned subsidiary, YouTube, LLC). Google LLC is wholly owned by XXVI Holdings Inc., which in turn is wholly owned by Alphabet Inc. All of these entities are organized in the state of Delaware. According to GU Holdings, the following persons (all U.S. citizens) have a 10% or greater voting or equity interest in Alphabet Inc. as of March 29, 2018: Larry Page (42.5% of Class B common stock, giving him a 25.9% voting interest); and Sergey Brin (41.1% of Class B common stock, giving him a 25.1% voting interest). No other individual or entity has ten percent or greater direct or indirect voting or equity interest in GU Holdings.

GU Holdings certifies that it accepts and will abide by the routine conditions set forth in Section 1.767(g) of the Commission's rules, 47 C.F.R. § 1.767(g).

## **REMINDERS:**

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See C.F.R. §§ 1.2001-1.2003.

By this notice, we inform the public that submarine cable landing license applications that are part of larger transactions involving multiple Commission licenses or authorizations may involve "extraordinary circumstances" as referenced in Review of Commission Consideration of Applications under the Cable Landing License Act, Report and Order, 16 FCC Rcd 22167 (2001) and Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891 (1997), paras. 327-28, Order on Reconsideration, 15 FCC Rcd 18158 (2000). Additionally, extraordinary circumstances result where Executive Branch agencies petition the Commission to defer action on an application pending the resolution of potential national security, law enforcement, foreign policy and trade policy issues. Accordingly, these applications may be removed from streamlined processing and may not be acted on within the 90-day review period that the Commission has established as the period of time normally required to reach a decision on non-streamlined cable landing licenses. This notice shall serve as public notice to applicants that, in these circumstances, additional time may be required for Commission review and final action. No additional formal public notice will be provided routinely with respect to specific applications in the event that the applicable review period extends beyond 90 days.